

**JEG-UNITED, LLC**  
2800 Southampton Rd  
Philadelphia, PA 19154

March 19, 2020

**Sent Via Email and FedEx Next Business Day Delivery**

Planet Fitness International Franchise  
c/o Justin Vartanian, General Counsel  
Planet Fitness World Headquarters  
4 Liberty Lane West, Floor 2  
Hampton, New Hampshire 03842  
[Justin.Vartanian@pfhq.com](mailto:Justin.Vartanian@pfhq.com)

***Re: JEG-United, LLC's Exercise of Put Option for Mexico Businesses***

Dear Justin:<sup>1</sup>

We are writing, on behalf of JEG-United, LLC (“JEG-United”), to provide you with written notice that JEG-United is: (1) declaring an end to the Potential ADA Negotiation Period; and (2) exercising JEG-United’s Put Option for the Mexico Businesses, as those terms are defined in the March 5, 2019, Side Letter Agreement between Planet Fitness International Franchise (“International Franchisor”) and JEG-United and the January 28, 2020, Extension Side Letter Agreement between International Franchisor and JEG-United. Copies of the Side Letter Agreement and Extension Letter Agreement are attached for your easy reference.

By way of background, Section 7 of the Side Letter Agreement granted JEG-United a “Put Option.” In pertinent part, that Put Option provides as follows:

**7. Put Option.** If the Potential ADA is not executed by the end of the Potential ADA Negotiation Period, JEG-United shall have the right, exercisable by written notice delivered to International Franchisor within thirty (30) days from the end of the Potential ADA Negotiation Period, to sell the Initial Businesses and the Additional Businesses (collectively, the “Mexico Businesses”) to International Franchisor. Upon receipt of JEG-United’s notice, International Franchisor shall have ninety (90) days to purchase the Mexico Businesses for a price equal to the book value of the Mexico Businesses. ....

Section 1 of the Extension Side Letter Agreement extended the Potential ADA Negotiation Period and granted JEG-United the right to end the Potential ADA Negotiation Period upon written notice. Specifically, Section 1 of the Extension Side Letter Agreement provides as follows:

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<sup>1</sup> We believe this notice to be appropriately delivered pursuant to the applicable notice provisions. Should, however, you deem this notice ineffective for any reason, please let us know within 5 days, which we believe to be a reasonable amount of time. Otherwise, absent receipt of a response from you to the contrary, we will be entitled to deem this notice effectively delivered.

1. Extension of Negotiation Period. The “Potential ADA Negotiation Period” (as defined in the March Side Letter) is hereby extended until June 30, 2020, and we agree to continue negotiations with you on the Potential ADA until the end of the Potential ADA Negotiation Period. Notwithstanding the March Side Letter, the Potential ADA Negotiation Period may end prior to June 30, 2020, upon (a) written notice of either party or (b) the unilateral termination by us of any agreement with you or one of your subsidiaries due to a material breach of such agreement by you or your subsidiary. For the sake of clarity, the extension of the Potential ADA Negotiation Period, among other things, by virtue of Section 7 of the March Side Letter, extends the time period to consider exercising your put option, and, by virtue of Section 3 of the March Side Letter, extends our exclusivity arrangement.

As noted above, this letter serves as written notice to International Franchisor that JEG-United is both: (1) declaring an end to the Potential ADA Negotiation Period; and (2) exercising its Put Option set forth in Section 7 of the Side Letter Agreement “to sell the Initial Businesses and the Additional Businesses (collectively, the ‘Mexico Businesses’) to International Franchisor.” Due to the end of the Potential ADA Negotiation Period, and JEG-United exercising the Put Option, International Franchisor is required to purchase the Mexico Businesses within 90 days.

In addition, assuming, as we do, that International Franchisor will honor its obligations under the Side Letter Agreement and the Extension Side Letter Agreement and work in good faith to close on this transaction as soon as possible within that 90 day window, JEG-United is ready to begin discussing how we can make this sale and transition as smooth and seamless as we possibly can. Please let us know what information you need from us in order to proceed as required.

We look forward to closing on this transaction within the next 90 days.

Thank you.

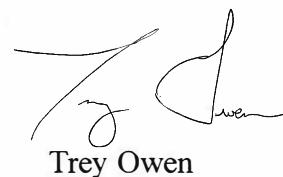
Sincerely,

JEG-UNITED, LLC



Kevin Kelly

JEG-UNITED, LLC



Trey Owen